

## **Key Informant Interviews**

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## **Key Informant Interview Transcripts**

### **Interview #1: Insurance Managers for Large Corporation**

#### **1. Overview**

[Our company] serves [X] members with an HMO plan. Mission is to help control health care costs for [our] employees and to serve all of our other commercial businesses. Some are self-insured.

#### **2. Why does [your company] offer health insurance to their employees?**

- To attract high quality employees and be competitive with other companies.
- Some companies feel it is a good thing to do for the employees.

#### **3. Since your company also handles health insurance for several other companies as well as [your own], why do you think some companies choose not to insure their employees?**

- Cost is key here.
- Some people don't think they need it.

#### **4. Do current insurance regulations deter some companies from participating in your opinion?**

- These add to the cost.
- The red tape can be a hassle. We deal with it everyday.
- Government interference also discourages some from offering.

#### **5. What should employees pay for their health insurance?**

- Many companies feel that the employee should share in premiums, however, some feel that this can be counter productive.
- Co-payments seem to work as a way to share in the costs of coverage.
- Higher deductibles are also common.
- Three-tier co-pay on drugs is useful. Tier 1 is non name brand. Tier 2 is medium priced, using some non name brands. Tier 3 is the high end. The goal is to get the most for the best price. Most members opt for the generic because it reduces costs.
- People make price choices every day so we feel health care is no different.

#### **6. What constitutes a minimum health insurance plan?**

- Hospitalization, office visits, drugs, screenings, etc. with a co-pay possible.

- Dental may be a part but not necessarily. We think of health and accident, catastrophic, with dental, vision, hearing, being options.
- Mental would be included.
- Chiropractic would be in the option category.
- Our customers purchase health care in the way we describe above.

**7. Have any employees declined to participate?**

- The only way would be if one's spouse has a better plan and the employee elects this.

**8. Will things change with an economic downturn?**

- Maybe, but our company reviews benefits annually.
- Premium sharing, co-pays, are added when necessary.

**9. Why do people elect not to purchase health insurance if the employer does not offer it?**

- Costs are the key.
- People won't buy it if it is over 2% of net salary and too often, it is.

**10. Would you define underinsured?**

- Someone who does not have the basic package we referred to earlier probably falls into this category.
- High deductible might place one in the underinsured category if one's income is small. If one cannot afford the deductible, then the insurance is of little benefit to them.

**11. If the state expands public insurance programs would that affect your company?**

- Probably it would have little or no effect.
- It might reduce the costs for our employees.
- We would have to really examine the situation before we would know.
- We need to make sure that people are taking advantage of the programs that are currently in place.

**12. Would you share some words of wisdom for our legislators when they consider changes to the current system?**

- Look at the Oregon plan. Consider a program that has similar qualities.
- Be smart in making your decisions. Base your decisions on facts not emotions.

## **Interview #2: Faith-based Administrator**

### **1. Let's start by you telling us a little bit about your work with your organization, the mission and goals of the advocacy network, etc.**

- I'm an assistant to the president dealing with church/govt. relations.
- We provide justice dimension and public policy dimension to our organization.
- Poverty, justice, health care, etc. are among 7 baskets of concerns. We do work with people of all affiliations.

### **2. Based on your experiences in Illinois, why don't people have health insurance? What factors cause them not to have health insurance?**

- I sense that there is a gap between where Medicaid cuts out and low wage earners ability to pay for insurance because they have jobs that don't pay health insurance or require too high a premium for the worker to afford.
- College students may fall into a gap, especially those returning to school, especially community colleges.
- Some may feel that they are healthy and do not wish to spend money on health insurance.

### **3. Why do you think some people don't participate in public programs even though they are eligible?**

- Some are removed or remove themselves from one type of assistance when they qualify for another. They often may not understand that they are eligible.
- The stigma of welfare may be a problem for some.

### **4. How would you define "underinsured?"**

- That is a tough question and difficult to define.
- Someone who needs mental health care may have little coverage for this problem.
- Other services may have caps that do not allow for certain affordable treatments.
- High deductibles may make one underinsured.
- Programs that do not cover preventative may make one underinsured.
- Drugs may not be covered well either.

### **5. How do you define a minimally acceptable insurance program? What should be covered?**

- Prenatal, well baby, inoculations, annual physical, access to specialists through primary care physician, drugs with minimal co-pay, hospitalization, emergency room, surgery, second opinion, etc.

- Mental should be covered.
- Brain disease should be treated like any other disease.
- Substance abuse falls under mental health.
- Dental, yes.
- We need to get away from medical, dental, and mental being 3 different systems.
- Rehab, to a degree.
- Optical, audio also.
- Chiropractic may have a place, perhaps subject to some form of gate keeping.
- Viagra and birth control too.
- Within limits, perhaps some abortions should be included.

**6. How can we insure everyone, or at least close the gap on the “15%?”**

- Tax monies must be used to help foot this bill.
- A program modeled after Canada, England, etc.
- Tax credits would be of more value to those who are more affluent. They probably would not help the poor as much.
- A state run program with people carrying insurance cards would be it.

**7. In your opinion, what are the priority populations that need to be covered or looked at carefully?**

- The “working poor” should be top priority. They are in the gap between public aid and employer paid programs.
- Homeless, who are not accessing any programs at all.

**8. What words of wisdom do you have for legislators and other government officials who might attempt to craft a public insurance program for the chronically uninsured?**

- Just do it.
- Our Illinois legislators still believe raising taxes is the death warrant, but perhaps we are getting past this idea and people will support higher taxes for good purposes.
- A flat tax should not necessarily be the word of God. A graduated tax may be the way to go.

**9. What additional comments do you have regarding the problem of the uninsured in Illinois?**

- None at this time.

### **Interview #3: Human Resources Officer, Corporation**

**1. Let's start by you telling us a little bit about your health insurance program at [your company], its mission and goals, number of employees covered, etc.**

- [Our company] has world-class health care for our employees. Money Magazine rates our coverage 18<sup>th</sup> in the U.S. We provide 100% coverage for hospitalization and surgery if one uses our network, otherwise they pay 30%. We work closely with our providers such as those in [area communities]. It's probably a 30 million dollar business in [our community]. We cover about 26,000 in Illinois with about 25,000 retirees. Overall, we have 125,000 total. Union has no contribution to the program. Our salary/management group has about a 10% contribution.

**2. Many businesses do not offer health insurance to their employees. What influenced your decision to offer insurance to your employees?**

- Some of our suppliers who are small businesses do not offer health insurance to their employees. It's very costly to them. We are trying to put together a means to help them afford health insurance for their employees. Some of these companies employ people who can't compete for [a job in our company], so they are at the mercy of their employer for getting health insurance.
- We feel health insurance is an important part of attracting high-class employees. That is my job to attract them. People we hire ask about the benefit package.

**3. What are the issues/problems you have had to grapple with in order to provide insurance to your employees?**

- Prescription drug costs are killing us. They have increased by large margins over the past several years. We're working closely with the hospitals to get these drugs at lower costs without losing quality of the drug.
- Legislation is a problem with HIPA and the patient's bill of rights. HIPA-We process our own claims. We are probably going to have to move offsite to protect privacy, thus this will cost us more. We can't use email to contact someone anymore.  
Patient's Bill of Rights-We are not going to take on the liability. We need protection as an employer. If we pick the carrier of health insurance and are still liable, then we will go to a stipend system where the individual will have to buy his/her own.

**4. How do you decide what health insurance benefits to offer? How do you decide what level of premium employees should pay?**

- We base it on the competition. If everyone is offering vision, then we better offer it.
- Some of our decisions are employee based.
- We currently have no adoption benefit. We do have maternity benefit. If it affects employee retention, then we will probably start offering an adoption benefit.

**5. In your opinion, what would you call a minimally acceptable benefit package?**

- Hospitalization, and hospital related, catastrophic, for sure.
- This is really difficult to answer.
- Prevention maybe, should be included. We have a program that encourages better health practices and we cut premiums for compliance. We have found that those who participate, have fewer insurance charges, thus it is a money saver. Our participation in the semi-annual health assessment is about 90%. If this idea could be brought to the uninsured, maybe we could reduce some risks such as for cancer, diabetes, etc.
- Primary care would be good and could serve as a prevention mechanism. There will have to be some limits, such as those with HMOs.
- Basic prescriptions could be included but the cost is really a problem. There will have to be a controlled way to lower costs by requiring patients to take the generic drug.
- Dental would not be there. We did it several years ago because other companies were doing it. We heard that bad teeth were causing other health problems but we really have not seen it.
- Vision would not be included either.

**6. How likely are businesses to be influenced by subsidies, tax credits, or any other incentives that would lessen their share of the cost of health insurance?**

- They could use all the help they can get.
- The business owner would like to buy health insurance for himself and his family at a cheaper rate. I think he would like to do the same for his employees.
- I think we need a pool to provide health insurance for small businesses, regulated by someone (not the state), that will help us to provide this.

**7. What words of wisdom do you have for legislators and other government officials who might attempt to craft a public insurance program for the chronically uninsured?**

- Stop listening to the insurance lobbies.
- Stop listening to the special interest groups.
- The Clinton plan was on the way until he started listening to the special interest groups and the costs got too high.

- We are going to have to ration health care. We ration here at our company. If we cannot afford something, we don't provide it.

**8. Other Comments?**

- Many of the uninsured are costing the total system money.
- It concerns me that some hospitals won't take people without insurance. Some people are dying because of this practice.
- Teaching hospitals probably get more than their share of these uninsured patients.



#### **Interview #4: Rural Health Clinic Administrator**

**1. What factors prevent people from purchasing health insurance?**

- Obviously, the costs are a key factor.
- Medical costs keep going up.
- My corporation pays a huge cost for health insurance for our 135 employees. It will be difficult to maintain the same level of coverage in the future.
- Many people choose not to purchase health insurance in lieu of food, rent, etc.
- The gap is widening between the rich and the poor and the poor are continuing to have a difficult time purchasing many things, including health insurance.
- Small employers are facing a work force that is more mobile and more attracted to higher pay than perhaps, to health insurance.

**2. Why do some people not participate in public insurance programs?**

- Pride is a factor. Some people don't want to report to a state office for health insurance, unemployment benefits, etc.
- The staff in the state offices may or may not be very supportive to the people who seek assistance.
- Too often, people are turned down even if they are eligible.
- The paying of bills incurred by those on public insurance programs to the providers is often slow.
- Now, the Medicaid program appears to be going into the red. If there is a Medicaid shortfall, several problems will result. Lower reimbursement may result from a shortfall. A good example of problems from a shortfall is the cutting of adult dental care a few years ago. This resulted in many dental related emergency room visits.
- Community Health Centers (CHCs), which provide much care to Medicaid/Medicare patients will face a crisis if there is a shortfall. They are already facing a battle in keeping a cost-based reimbursement. A shortfall will only worsen the problems.

**3. Do you support expanded public insurance programs?**

- An expansion would strengthen our efforts as long as more dollars are provided for us to provide care.
- Providing more services without a budget increase would dilute the services that we could provide.

**4. How do you define underinsured?**

- Those who have huge deductibles would fall into this area. Those types of policies often do not include office visits; therefore, one who has this type of policy doesn't go to the doctor when he/she should go.

**5. What constitutes a minimum "bare bones" health insurance policy?**

- 90% of hospitalization should be covered.
- Preventative care, along with physicals, which should include education, should be free.
- Diagnostic tests, such as mammograms, should be covered.
- Dental must be included because dental care is important to overall good health.
- Behavioral health is a hard sell, but it too, must be included. Often, people are treated by drugs, rather than therapies.
- Subscription drugs must be included.
- Optical is important for preventative and acute treatment.
- Chiropractic is gaining more acceptance.

**6. How can we best provide coverage to those chronically uninsured?**

- Universal care, funded by the government, is the answer.
- The United States is not highly rated worldwide in providing health care to its citizens. We have incredible technology, but few can access it.
- Our CHCs are the closest thing to providing coverage to the chronically uninsured because we treat the uninsured on a sliding scale.

**7. What advice would give to legislators as they try to close the health insurance gap in Illinois?**

- Expand the Medicaid program.
- Expand the ICHIP program to include parents, families, etc.
- Have the expanded programs include preventative care. It's pointless to always keep spending huge amounts of money on treatment.

**8. Would you like to make any other comments?**

- Health habits of the poor are not always factored in when total health care expenditures are examined. No shows really hurt. People who make appointments and then do not show run the costs up for everyone. We need to educate people better about accessing health care.

## **Interview #5: Rural Health Director**

### **1. Drawing on your view from a rural standpoint, why don't people have health insurance?**

- Often employers don't provide health insurance through the job or if they do, employees opt not to take it if their share of the premiums is too high.
- Some people are on the edge of qualifying for public health insurance and when they find that they are not qualified, they don't buy private health insurance.
- Some, who are qualified for public health insurance programs, do not know they are qualified, thus they have no health insurance because they feel they cannot afford the private health insurance.

### **2. Why don't people participate in public insurance if it's available?**

- Pride gets in the way for some.
- Some don't wish to be seen applying for public insurance. Privacy is an issue with them.
- Cultural barriers may apply for some people.
- Some are not familiar with the process of applying. They find the forms complex and hard to understand.
- Some people do not have telephones or access to newspapers, so they may not be informed about programs that are available to them.
- We, the government, may not advertise appropriately.

### **3. Why do some people dis-enroll from public insurance programs?**

- Some people may lose their eligibility.
- Dis-enrolling is rare in this area.

### **4. What is your experience, from a business standpoint, with public insurance programs?**

- The programs are fine.
- The structure and implementation process are problems. For example, people often ask, "Where do I sign up?" and "Where do I go to learn about the program?"
- The programs are not administered well.

### **5. What is your experience from a health care perspective?**

- It's okay for what we provide (primary care).
- It's a problem when we refer someone to a specialty care provider.
- Referring someone to mental health care is very difficult.

**5. If there was a way to expand public insurance programs, would that affect you?**

- It should help us to provide more and better service.

**6. How would you define “underinsured?”**

- One who is eligible for Medicare but doesn’t carry supplemental insurance probably is underinsured.
- Those who do not have the financial means to buy good health insurance coverage fit into this category.
- Medicaid patients who have conditions that aren’t covered by Medicaid certainly fit this category.

**7. What constitutes the right insurance plan?**

- Birth to death coverage.
- Reasonable hospitalization.
- Mental, drugs, rehab, oral, etc.
- Chiropractic not included. Osteopathic would be included.
- Don’t reduce what’s already there.
- Optical, hearing should be included.
- Preventative care needs to be there.
- We need a system of care that looks at the totality of needs for the patient. This system does not exist today.

**8. What program would work to cure the problem of the chronically uninsured?**

- The Community Health Center (CHC) is the key. Take the emphasis off the payment for service. Pay the provider to open the shop for all.

**9. Would your organization be interested in expansion of programs?**

- We’d be happy to participate.
- Expand more than FQHC. Why does it have to be federally run? Why not state run?
- Let’s bring the different components together (medical schools, dental hygiene, etc.) to work together to ease the burden.
- Funds can be better used.

**10. What would be your words of wisdom to legislators?**

- Realize that we now have too many lawyers serving as elected officials and they to not have the proper education to understand the health care problems. They

need to get a better education about the health care system. I would love to have them visit my shop.

- Health care needs to be given a higher priority. When it is given a higher priority, solutions may come; or at least some positive measures will result.
- Understand that the problem is a community problem. CHCs are an effective way to provide treatment. Studies have shown this to be true.

**11. Final Comments?**

- Community/Government partnerships would serve people well.

## **Interview #6: Hospital System Administrator Interview**

### **1. What factors prevent people from getting health insurance and/or health care?**

- The cost of insurance, and thus, health care is a key problem.
- Access to care is a problem in some areas, especially the rural area we serve.
- Insurance dynamics may be a factor. The old mechanism may not work today. In the “old days” people used to insure against major losses. That is not the case today. The future is unclear.
- Part of the problem may be the government’s responsibility. If one cannot buy insurance or receive it through employment or other means, then, maybe the government should step in to help.
- The employer base is also changing. We will need to re-define how to provide health insurance coverage.
- Government insurance programs accountability is in question also today.
- Local governments will have to do the job in the future, perhaps.

### **2. Why do people not participate in public insurance programs?**

- The stigma of having public aid may chase some people away.
- Some feel that they are not treated well if they have public insurance. They feel like second-class citizens.
- Others feel healthy and decide that they just do not need health insurance.
- The bureaucracy is burdensome to some people.
- Those in the 55-65 year age bracket are a problem if they lose insurance through their employer because they are too young for Medicaid and perhaps become ill for the first time in their lives.
- Some people, due to various factors such as their ethnic background, are not really comfortable with answering the necessary questions to ascertain eligibility.

### **3. Can you comment on public insurance programs from your business perspective?**

- We have no real problems with Medicaid.
- Public insurance payments are slow though.
- From a business standpoint, we try to treat all people the same, regardless of whether or not their insurance is public or private.

### **4. How do you feel about expansion of existing programs?**

- If we get fair reimbursement then we are for expansion of existing programs.
- Sending someone who is on public insurance, on to other hospitals could be a problem in some cases, but it isn’t for our company.
- Everyone should have access to an insurance vehicle.

**5. What constitutes a minimum “bare bones” health insurance plan?**

- The Oregon Plan is a good framework.
- A basic plan should include primary care, surgery, medicines for treatment, dental care (clinically and socially it is necessary), mental, etc.
- Substance abuse may be included. I’m not sure.
- Optical would be outside of a basic plan.
- Alternative care (chiropractic) is getting more acceptable. Acupuncture treatment is of some definite value.

**6. How would you define “underinsured?”**

- I have no formal definition.
- Many people have bare minimum policies that maximum out easily. These people probably are underinsured.
- I worry about people who buy cancer, or other special disease policies. These policies often do not cover what they really need.
- Catastrophic medical emergencies are always a problem for many people; however, the total costs are coming down for many of these problems.
- High deductible policies may make one underinsured, but that is not a major problem for our patients.

**7. Would you comment on how to develop a program for the chronically uninsured?**

- This would be a very difficult process with no easy answers.

**8. What advice would you give legislators as they try to find ways to close the health insurance gap in Illinois?**

- Pray a lot.
- There will be much pressure from different directions. Take the best of what we have and expand it. Take the worst of what we have and eliminate it.
- Look at many different models in order to have a better understanding of what works and what doesn’t work.
- Whatever system you choose, please choose a system that is designed around the patient.

## **Interview #7: Union Representative**

- 1. Mission Statement: To give the best benefits possible to those we serve.**
- 2. In your opinion, why don't some people have health insurance?**
  - Some lack the money to pay for it.
  - Health care is expensive to those who have to purchase it by themselves.
  - Many may work for employers who do not offer health insurance.
  - Others may work for employers who offer a partial health insurance package but feel that they cannot afford to pay for their share.
- 3. What role do businesses play in the uninsured problem?**
  - The health insurance costs may exceed what many businesses can pay.
  - Subsidies, such as a tax credit, might help them afford health insurance for their employees.
- 4. What role do you see the government playing in the uninsured problem?**
  - Perhaps the government can do more than they do by expanding some of the existing programs.
  - Children, for example, really need to have access to health care.
  - Maybe the government needs to rethink how the various programs are being administered.
  - We really need to find a way to offer a health insurance benefit to the working person.
- 5. What role do you see the insurance industry playing in the uninsured problem?**
  - Our experience is that our insurance providers are doing their best to help keep costs down and benefits up.
- 6. What role do the people play in the uninsured problem?**
  - Some people elect not to buy health insurance because of finances.
  - Some people may not budget well, thus, health insurance is not planned for.
  - Some feel that they are not sick; therefore they do not think about health care.
  - Many young healthy people don't feel the need for health insurance.
- 7. What about gaps in health insurance?**
  - These usually occur because people get into situations where they are between jobs.



- In some cases, there may be a period of time before a policy takes effect.
- In our business, if a worker does not get enough hours, he/she may either self-pay for health insurance or go without.
- Many people who are out of work feel that they cannot afford the expense of keeping health insurance.

**8. How do you negotiate with an employer?**

- That depends upon the type of contractor.
- Typically, we negotiate through our business manager in periodic meetings that have a goal of setting rates and types of coverage.
- In some cases, the employer accepts the plan that we already may have in place.

**9. What are some of the issues that get raised in negotiations?**

- Costs are a very key issue.
- Co-pay issues are also raised.

**10. In your opinion, what constitutes a minimum benefit package?**

- We examine needs and look at what is available. We have to be able to find providers.
- Hospitalization, screenings, medicine, mental health (including substance abuse treatment), dental, out patient care, and limited vision and hearing would seem to fit the minimum benefit package.
- We offer chiropractic on a limited basis.
- We offer rehabilitation services, with some limitations.
- Home health and skilled nursing would need to be part of the package.

**11. In your opinion, what should public health insurance include?**

- Hospitalization, screenings, out patient, mental health including substance abuse, along with some dental care and maybe some vision care should be included.
- Chiropractic may also need to be included because misalignment can cause health problems.

**12. Would an economic downturn affect what you provide?**

- Not really, we would try to offer the same services.
- It could affect us from the standpoint that a downturn would slow the job market and, thus, our workers would have a harder time finding work.

**13. Do you support an expansion of Kidcare to parents?**

- Yes, I'm for it as a mother.

- It would not affect how we cover our workers because the family is automatically covered in our plans although, in some cases, a worker can waive spouse coverage if the spouse has other coverage.

**14. Do you think an employer might drop health insurance if they discover that most of their employees are covered by expanding Kidcare.**

- No, it's not right.

**15. What advice do you have for the government about closing the health insurance gap?**

- Do a better job of administering the programs so that those who really qualify get help. Examine the eligibility rolls.
- Keep requiring people to go to work to earn benefits.
- Don't encourage family break-ups. Some programs currently in place actually do encourage family break-ups.
- One idea might be to increase unemployment benefits to allow the seasonal worker to keep health insurance.

**16. Do you have any other closing thoughts?**

- I wish individuals could be more knowledgeable about health insurance.
- I wish all companies could provide health insurance to their workers.

## **Interview #8: Insurance Company Administrator**

### **1. Why are some people not insured today?**

- Employers are shifting health insurance costs to the worker and some workers are dropping their coverage.
- Small business owners have a hard time affording health insurance costs and feel that most of their workers have health insurance elsewhere.
- Layoffs are creating problems also today because young workers get laid off thus creating an older work force. An older work force requires that more health care dollars get spent.
- Family coverage for health insurance is \$200+ per month. That is a big chunk of money for a family earning \$30,000-40,000 per year.
- Most insurance companies insuring workers need 75% or more of the workers in a plan for it to be feasible to insure them. If that level is not achieved, then it is difficult to write an effective policy.
- Uncompensated care is going up. Private insurance has to eat those costs, thus rates go higher.

### **Additional Comments:**

- We continually change plan designs, health promotions, data analysis, etc. in order to stay current.
- 80% of the costs of a health plan are driven by only about 10-15% of those in the plan. We, as insurance companies, can do little about this situation.
- Many things, including Medicare/Medicaid, hospitals, clinic, and even stocks are under dollar stress today.
- Health insurance rates have been running about four times the inflation rate.

### **2. Could incentives such as tax breaks, etc. help employers afford health insurance?**

- Employers get a tax break already; however, this is not overcoming the increasing costs of health insurance coverage. Many employers are still offering benefit packages as an incentive.
- One company wanted to expand their primary care package so we started to try to match up current uninsured workers to a program. We found it very difficult to incorporate funding into the system without using Medicaid/Medicare dollars that we did not have access to. Our plan was to get employees to pick up a bigger share of the total health insurance costs of the package. It played out that we were able to expand some insurance coverage to Kidcare parents.
- We need to keep people who are currently in the existing health insurance plans in them.
- A voucher based or subsidy based program for health insurance to the employers through our company might be a worthwhile idea.

**3. Could you comment on “crowd out?”**

- The costs today are shifting from public programs to our private side. There really is no place to shift.
- Physicians and dentists are saying, “I’m not taking any more Medicaid patients.”
- Dumping more Medicaid people into the private system creates more stress on the private system.

**4. Could you comment on ways to close the health insurance gap?**

- Illinois is nothing compared to some other states such as Texas for example.
- We ask what happens if more people are not insured. If significantly more people have no health insurance, then we will probably see the Feds overhaul the system.
- If the Feds step in, we do not think they will dismantle the insurance industry. That could have many negative consequences.
- The solution might be a sharing between the government, employers, individuals, and the insurance industry. We truly may see this sharing plan come to pass.

**5. What do you think constitutes a good, basic health insurance plan?**

- Choices are important.
  - ✓ Young families might need a plan that emphasizes preventative care, etc.
  - ✓ Plans could be inexpensive or moderate or expensive in costs.
  - ✓ Preventative care with low co-pay might be good for some.
  - ✓ A high deductible that includes coverage for catastrophic problems might work well for some families.
  - ✓ Different ages might pick different things to include in their coverage.
- Dental coverage might be a part of a basic package; however, a lot of dental procedures are now affordable for most people.
- Optical would need to be an option. All people do not require a lot of optical services.
- Mental health care is an integral part of any health plan. A primary care physician through the use of drugs often manages this element.

**6. Could you comment on the strengths and weaknesses of expanding some of the current public insurance programs?**

- We should strive to keep people in the employer-sponsored programs.
- I do not think that putting more money into the current system is necessarily a solution or will greatly strengthen them.
- Alternative hospital/surgical programs teamed with local health systems picking up a primary care component may be a way to strengthen our programs.
- Creating options, such as those mentioned above are important.

**7. What advice would you give legislators in solving the health insurance gap problem?**

- Realize that there is no one ideal solution.
- We will need to do different things for different people. Some programs today do not work.
- Some people and cultures do not trust the government, so they will be difficult to get to participate in public insurance programs.
- An outreach plan of cooperative efforts will be important. We must communicate changes with the people through all means possible including community meetings, churches, etc.

**8. Do you have any final comments?**

- Business leaders need to understand that the uninsured are costing them. If people drop coverage, premiums must go up.

## **Interview #9: State Government Administrator**

### **1. Why do some people not have health insurance?**

- Some may be eligible for public insurance but may not know they are eligible.
- Some people attach a stigma to getting public insurance, thus they don't apply.
- Some are eligible for certain types of public insurance (i.e. Kidcare) but don't want to pay the premiums.
- Some small businesses cannot afford to offer health insurance to their employees, so the employees must buy it on their own or go without.
- Some individuals simply feel that they cannot afford health insurance.

### **2. Would incentives such as tax breaks, etc. help employers to offer health insurance?**

- Purchasing pools would be a good idea. Small businesses could then share the costs and risks together.
- A state administered purchasing pool might work well, perhaps in partnership with a large insurance company (i.e. Blue Cross/Blue Shield); however, I am not sure how it would work.

### **3. Could you comment on "crowd out?" Is it a problem?**

- Kidcare rebate policy fights crowd out. The rebate helps families keep their other insurance. The Feds do not give us matching dollars for this anti-crowd out strategy, however.
- The problem will get worse as insurance premiums increase for employers and employees.

### **3. Will people adjust their health insurance coverage level if we have an economic downturn?**

- It will increase our state role because of people losing their jobs and thus, their insurance.

### **4. What constitutes a basic health insurance program?**

- Primary care, prevention, drugs/medicine, and hospitalization are all important.
- Dental care should probably be included. Access is a real problem.
- Optical services should be included if they are related to school or work.
- Mental health, including substance abuse, should probably be included.
- Nursing home care and chiropractic should not be included.

### **5. How are the uninsured people getting their health care needs met?**

- Some people visit free, or cheap health care clinics.
- Many are foregoing basic treatment and hoping they don't get really sick.
- Many are using their local health departments for certain health care needs such as immunizations, etc.
- Some are using the local hospital emergency rooms when they are really sick.

**6. Will grass roots initiatives help?**

- Free clinics definitely help.
- Doctors donating their time to clinics, etc. helps.
- These alternative/cooperative efforts may reduce reliance upon Medicaid and other public insurance types of programs.

**7. Can you comment on the relationship of welfare reform on public health insurance coverage?**

- In Illinois, people coming off welfare get a 6-12 month extension of medical coverage.
- Some may still qualify for Medicaid, Kidcare, etc.
- Some can "spin down" (use a deductible process).
- In Illinois, we've expanded our eligibility to public insurance programs somewhat.
- Some adults without kids are in a tough spot if they cannot otherwise afford health insurance coverage. They fall through the cracks.

**8. What are the strengths and weaknesses of an expanded public insurance program?**

- We already have a good provider network and that is a strength.
- Another strength is that we already cover 1.5 million people per month. Expansion would not be a problem.
- A large or even larger pool could result in a rate reduction.
- The simple fact that we have an existing way to get people into the system is also a strength.
- One weakness is that some people do not want to be a part of a public, state insurance program.
- Funding an expansion would be considered a weakness by many. The program costs \$7+ million now.

**9. How can we best inform people about programs that are available?**

- Incentives and training for providers to enroll people in public programs.
- Use of schools to enroll people, e.g., cross-matching with free lunch program; handing out applications on report-card day.

**10. How can we solve the uninsured problem in Illinois?**

- The state government will have to be involved.
- The Illinois Assembly, business groups, etc. will all need to work together.
- We will need more money allocated.
- We will need to set priorities and shift resources when necessary.
- Any solutions will have to be at least partially funded by the state. Additional dollars might come from a variety of sources listed below.
  - ✓ Federal government
  - ✓ Sin tax monies –these are limited.
  - ✓ Other taxes –won’t be popular.
  - ✓ Employer tax benefits, or some other way to encourage employer cooperation.
  - ✓ Insurance companies need to be partners but must be willing to not make huge profits.
  - ✓ Co-payments by the uninsured people on a sliding scale.



**Interview #10: Community/provider coalition representative**

**1. What factors are involved in people not having health insurance?**

- Companies that do not offer health insurance employ some.
- Some others work for companies that offer health insurance on a cost-sharing basis where both the company and the employee contribute. Some of those people feel that they cannot afford to pay their share, thus, they don't but it.
- As co-payments go up, participation goes down.
- Many people feel they cannot afford to buy health insurance but they do not qualify for public aid.
- Some people, especially young and healthy people may not feel they need health insurance.
- Single people are often excluded from public insurance programs.

**2. How do you feel about expansion of existing programs?**

- The Family Health Care bill that is pending in Congress now is a good idea; however, single people are left out because it targets Kidcare parents.
- A program to assist the 55-64 year age group would be good. These people have a difficult time finding insurance. We have several clients that fall into this category and many are single women.
- I would like to see everyone insured but I don't expect to see that day.

**3. How would you define "underinsured?"**

- People who have insurance to cover catastrophic injury/illness with a high deductible would fall into this category. They must decide when they can afford basic health care.

**4. What would constitute a minimum benefit package?**

- Office visits, lab tests, x-rays, prescription drugs, immunizations, etc. Our program is sick care that falls between preventative and hospitalization. Diagnosis and treatment are keys to our program.
- We pride ourselves in ensuring that our patients get the same treatment whether or not they have private or public insurance.
- The physicians do health education, especially when they diagnose hypertension and/or diabetes.

**5. How can we insure everyone?**

- Government sponsorship is the key.
- We would need one uniform policy for everyone. That would remove the stigma of employing the aging worker. Canada and Germany may be close to this type of program now.

- The provider's roles would have to change. We would need their cooperation. The doctors who don't accept Medicaid patients, for instance, would have to open up their practices.
- Insurance companies could go away. They are just a middleman.

**6. What advice do you have for legislators for closing the health insurance gap?**

- The problem is not going to go away. When the uninsured outgrow the insured, maybe they will look to the future and realize that paying today may be a way to save money tomorrow.
- The county is our largest funder presently. A state program would have to come from taxes, especially income taxes. One could make a case for a sin tax or health related tax. We all pay a Medicare tax now.

**7. What additional comments do you have? What do we need to note in our report?**

- There is a misconception that people are uninsured because they want to be uninsured.
- The chronically uninsured cannot afford insurance unless it is subsidized like Kidcare.
- People must be able to purchase drugs/medicine at a reasonable cost to make any system work.
- Dental care must be there because it doesn't exist in the emergency rooms. People without teeth cannot get jobs. Dental problems may lead to other health problems.
- Optical care could be cut out to save some dollars. Everyone needs primary and dental care. Not everyone needs optical.
- A line should exist between what is treatable and what is not treatable.
- Mental health and substance abuse are often treated in a primary care setting which all people need access to. For example, drugs for treating anxiety and depression are often prescribed by primary care physicians.
- Chiropractic and other alternative care should be in the option category, like optical care.
- A state program would have to impact on residency programs so that we get more family doctors and doctors specializing in gerontology.
- Preventative and primary care must be a part of all programs for all people, immigrants included.
- Here is my priority list of those most in need.
  - Kidcare parents.
  - Those 50-64 years old without insurance.

## **Interview #11: Health Coalition Administrator**

**1. Let's start by you telling us a little bit about your work with your agency, the mission and goals of the organization, etc.**

- We are the largest state coalition.
- To provide best health care for all, single payer preferred.
- We are looking at Medicaid, hospital mergers.
- We are building coalitions with various partners to improve health care.
- We are helping people to learn about what they are eligible for.
- We've done some health studies relating to health insurance and sliding scale fees.

**2. Based on your experiences in Illinois, why don't people have health insurance? What factors cause them not to have health insurance?**

- The corporation of the health care marketing is a problem.. Its being treated like a commodity in recent years, thus it is becoming less affordable.
- If people can't make a profit, then they don't do the service.
- Some culture factors play a role in whether or not one buys health insurance.
- If people can't afford the co-pay they don't get it.

**3. Why do you think some people don't participate in public programs even though they are eligible?**

- Some know that if they get a Medicaid card, they may not be able to find a doctor or dentist.
- Aliens may fear deportation.
- If people owe back taxes or child support they may choose not to apply.
- There is some question about the quality of care for those with public insurance.

**4. How would you define "underinsured?"**

- One may have a primary care but not major medical or vice versa.
- One may have a high deductible.
- Long term, dental, vision may not be available, thus one faces more than they can afford.

**5. How do you define a minimally acceptable insurance program? What should be covered?**

- Basic primary care, hospitalization, small co-pay and deducts, mental, vision.
- Substance abuse should be there also.

- Preventive care is good.
- Drugs must be covered and I don't view this as a Cadillac plan.
- Hearing, also.
- Rehab should be attached.
- In general, the plan of state workers should be the norm.
- Chiropractic may be needed as well. People should have the option to use alternative providers (homeopaths).
- HMOs will go along with alternative care if they fear people leaving the program.

**6. How can we insure everyone, or at least close the gap on the "15%?"**

- We need to take the profit out of health care.
- The costs need to be shared, thus single pay is a good idea for this.
- People should have a choice.
- Sliding pay along with co-pay and deducts should be there. Those who can afford to pay more, do.
- Consumers must be directly involved in the process.
- Canadian local community councils impressed me because they focused on the needs of the community. They weighed the importance of various health care offerings based upon what was affordable.

**7. In your opinion, what are the priority populations that need to be covered or looked at carefully?**

- That's a tough question because I'm a realist. I believe we will probably not succeed in all of our efforts because of politics.
- We can't say we are going to forget about the other 85%.
- The 'working poor' are a real priority.
- Children across the board who may be eligible for public programs.
- There are many good things about our system and we will never find a perfect system. The Canadian system is not the silver bullet, but there are some things about it we may want to adopt.

**8. What words of wisdom do you have for legislators and other government officials who might attempt to craft a public insurance program for the chronically uninsured?**

- Give up your health insurance until everyone else is covered.
- Tobacco money needs to go to health care.
- Take it up another notch. IPHA recommendations need to be considered.
- Part 2 of the process needs to be undertaken. In x number of years we must come up with a plan to insure all Illinoisans.
- Let's look at the costs of lower the age of Medicare and increasing Medicaid eligibility.

- Maybe consider an insurance pool.
- How about looking at medical savings plans? Let's look at the cost for these plans.
- Let's be committed to a real process and also realize that we may fail to come up with a good plan.

**9. What additional comments do you have regarding the problem of the uninsured in Illinois?**

- If we can walk out of the meetings in Springfield agreeing on a few issues and actually making them work, then we will succeed with a major step forward.
- If the focus continues to be to make a profit off of other people's illnesses then we have a long way to go.

## **Interview #12: Company Human Relations Director**

### **1. Let's start by you telling us a little bit about your health insurance program at your company, its mission and goals, number of employees covered, etc.**

- We have basically two plans for employees – 80% plus \$200 deductible, covers all major medical, catastrophic, etc. The employee has out-of-pocket maximum of \$1500. The company pays 100% after that. Second plan, 80/20 with a \$500 deductible, 2000 maximum out-of-pocket to the employee. Both are PPO plans. We cover all dependents – employee and family, legal dependents, early retirees to age 65 when Medicare takes over at 65. Employees can retire as early as age 55 and then they pay about 50-75\$ a month for health insurance coverage.

### **2. Many businesses do not offer health insurance to their employees. What influenced your company's decision to offer insurance to your employees?**

- All parent company facilities have the basically the same health insurance plans. Part of philosophy is that you want employees to be well taken care of so when they come to work, they can work. Also, productivity is hurt if something catastrophic happens and the person is worried about how they're going to pay for it. A written statement is required to prove that people have insurance elsewhere if they choose not to take the company plan.

### **3. What are the issues/problems you have had to grapple with in order to provide insurance to your employees?**

- Cost is a key factor. We spend about \$3 million a year just on health insurance. Four years ago that number was about 1 million. The increased cost is because of a rise in the cost of medicine/drugs and new medical treatments that are available. We also have increased the number of employees. We have 1350 employees at this facility, a number that has doubled in past four years.

### **4. How do you decide what health insurance benefits to offer? How do you decide what level of premium employees should pay?**

- Health insurance is a competitive thing that is used to attract employees.
- The level of benefits is determined largely by what's out there in the market place.
- We have had the same PPO for about 7 years.
- This is a unionized facility so the plans are basically what have been negotiated. We are under a five-year plan was just negotiated last year. You'll probably have a strike if you start messing with people's health insurance. The unions pretty much stick to the basics with coverage too. They're looking more for depth of coverage rather than breadth.

**5. In your opinion, what would you call a minimally acceptable benefit package?**

- Minimum benefit: Amount of coverage rather than the specific treatments. We pretty much cover those things that they're required to by law. Companies tend to lag behind because they have the regular business to be concerned about. We cover in and out patient, preventive, well-baby care, annual physicals, health fair things – mammograms, cholesterol screening, etc. Mental health is included (covers six visits per problem), substance abuse, in-patient rehab, long-term therapy. Vision is a discount plan. I'm unsure about hearing coverage. Dental is covered – basic, preventive, and schedule plans (schedule plan pays 75% of cost; basic pays about 50% of cost; preventive covers 100%). The scheduled plan covers orthodontics.

**6. How likely are businesses to be influenced by subsidies, tax credits, or any other incentives that would lessen their share of the cost of health insurance?**

- Companies are really influenced by tax credits.
- Government subsidizing the hiring of employees is not really a good plan. We stick more to work records, etc. for hiring. Government subsidizing could affect small businesses more. Our company hires more for long-term. When we invest in a person, we want to keep them for a while, so it's important to provide good benefits for them.
- It might be interesting to look at Cracker Barrel because they too want to get long-term employees and their benefit package increases as one stays and moves up in the restaurant.
- Nationalized health care would eliminate that factor of competitiveness through benefit packages and that might be good, because then people would work for you because they want to and not because of the benefits you offer.

**7. What words of wisdom do you have for legislators and other government officials who might attempt to craft a public insurance program for the chronically uninsured?**

- Try to do something on the cost side of the equation first. The government will just fuel inflation if they just jump in and start paying for everything. In many ways, medicine is a monopoly because in health care the cost doesn't go down when you throw in all these uninsured people.
- Hospitals do not operate nearly as cost-competitively as big businesses. You should target the cost problems in the hospitals, the whole cost-structure that drives the cost for consumers, rather than target the people who can't pay for the services.
- Doctors are not always cost-conscious. There's not a lot of competition either so they can set up the profit index at whatever they want.
- COST CONSCIOUSNESS overall would make healthcare more affordable for more people. It's now a lot more expensive to stay in a hospital for a lot less time.

- The price of health care also accounts for the possibility of being sued. Tort reform in medicine needs to be looked at carefully. Medicine is probably the only service where you can sue for a product you didn't pay for. An indigent person can get care for free and then turn around and sue those who provided it.
- Have a certain level of benefits and have the government agree to subsidize to a certain level.
- Employers are really worried about the patients' bill of rights because if they deny a procedure and then the employee gets hurt/injured they can sue the employer. The end product may be that the employer will drop the coverage and give the employee X number of dollars to buy private health insurance with. This procedure will increase the number of uninsured because many people won't spend the money allotted to them on health insurance.



### **Interview #13: Elected Official**

**1. As you know, many segments of the population do not possess any form of health insurance, either private or public. What are the causes of inadequate health insurance in your region?**

- The biggest reason is the escalating cost of health care. It's just gone out the roof. I've always been against a national health care plan, but I'm starting to question whether or not I should be. Now, even a lot of middle class people are struggling to get health insurance if it's not provided by their employers.

**2. How are the medically uninsured getting their health care needs met in this region?**

- Medicaid public aid health insurance is one way. Usually it is a combination of things.
- Some people just run up bills that they simply can't pay.
- Some just don't seek medical help for procedures they need.
- I think most state legislators look to the federal government to see where they're going. It does not seem like something that the state can really foot the bill for. But then there is KidCare that is helping to insure children.
- The group who's really struggling is the person in his/her 50s who isn't employed, and does not yet qualify for coverage by Medicare. They're not irresponsible, they just are not eligible and can't afford other insurance. Some of them have pre-existing conditions that make it very hard to get insurance, even if they can afford it.
- If this issue is going to be addressed, it really needs to be at the federal level because it's a uniform problem throughout the country.

**3. Could you discuss the relationship between welfare reform and health care coverage?**

- There have been a lot of good things said about welfare reform. One of the reasons why it's had some success is because the economy's done well. During bad times, there aren't jobs available if you go off welfare. So part of the success is because there are jobs available. The economy has been good.
- The welfare cycle (generation after generation) needs to be broken maybe by forcing people out of the system. There doesn't seem to be a real direct link between the number of uninsured and welfare reform.
- There will be a rise in uninsured, however, if the economy takes a downturn. These are tough problems, lack of insurance, welfare, etc. A great amount of money would help, of course.
- If the government is going to start funding more, they need to look at other areas where they can cut back spending, but what can you take away? Once you've given something to people, you really can't take it away.

- We now have the Circuit Breaker program that helps low income seniors pay for their drugs. Two-member households making less than 28,000 annually qualify. It s costing the state of IL about \$180 million a year now just for this program. It doesn't pay for hospitalization or any of that. There are a lot of seniors that don t know about this program. Up to 40% of those who qualify don t use it. A lot of people don t take advantage of KidCare either.
- There was a proposal this year to cover KidCare parents, but it would have cost a huge amount of money. There may be attempts to bring this up again, but I don't really see it going anywhere because it would be so expensive. KidCare already cost Illinois \$150-180 million a year. This bill would at least double that cost.
- There was also a bill in the house to pay all seniors drugs, regardless of income. Where would the money come from? Other states have tried this, but it has failed. Drug companies say they'll provide the drugs, and it won t cost the government anything, but then they don t follow through or they pass the cost on to the rest of us.

**4. If the state were to develop a process that would help more Illinois residents to receive some basic level of health insurance, what do you think a basic health insurance package should consist of? What is affordable coverage?**

- It ought to be on a federal level, first of all. The problem with the government taking over is that businesses will drop away from insuring their employees because the government is now doing it, adding even more to the financial burden.
- It would be better to encourage more employers to cover their workers give incentives to employers (from government), so that all of the workers would be covered.
- I have a lot of reservations about a state healthcare plan. I don't really like the Canadian healthcare plan. There are many Canadians who are not happy with their coverage and end up coming to the U.S. for health care. The long waiting list is a problem with the Canadian system.
- The escalating cost of new procedures, new medicines is also a big problem because everybody want the best when it comes to healthcare and wants to have these expensive things. We may be willing to drive an old car; however, when it comes to our healthcare, we all want a Cadillac. We may only be seeing the tip of the iceberg in rising medical costs.
- The population is also getting older causing healthcare costs to continue to escalate. If the ability to do certain things, keep people alive and well is there, then we want to take advantage that. This is hugely expensive though.

**5. What is your opinion about how such a program might be financed?**

- Covered earlier.

**6. What advice would you give to those who will be looking at ways to close the health insurance gap in Illinois?**

- From a state level, my primary concern is taking care of low-income seniors. This is a group who really can't take care of themselves.
- And taking care of children (which is already occurring with KidCare) is a primary concern.

## **OTHER COMMENTS**

- Illinois probably does more on a state-level now than a lot of states already.
- KidCare and Circuit Breaker are good programs that address some concerns.
- Once you start funding for the uninsured, the number of uninsured will grow. Those people who were providing health insurance for their families, will use that money elsewhere and let the public programs cover their healthcare costs. This is why it would be better to offer incentives to the employers to maintain the uninsured pool as it is. This would keep it a private system.
- It would be nice if, when a bill was introduced to the house or senate, a parallel bill on how to finance it would also be required, but this would never happen. We have lots of ideas about how to keep people happy, but we don't always think about how to pay for it. There are no easy answers.

## INTERVIEW WITH ELECTED OFFICIAL 2

**1. As you know, many segments of the population do not possess any form of health insurance, either private or public. What are the causes of inadequate health insurance in this region?**

- The high cost of health insurance is a large deterrent. This region has a high percentage of low-income households who do not receive health insurance through their employer and who cannot afford to buy health insurance.
- Unemployment, which is high in this region, is also a factor for many people not having health insurance.
- The average salary in this area is between \$17, 000 and \$35, 000, which is poverty level to 100% above, which creates a problem for many in buying insurance.
- We have worked with the KidCare program to try to make sure that at least many of the kids are covered.

**2. Could you comment on the House Bill to expand KidCare to parents?**

- Maybe we could use tobacco money to cover the state's 35% of the cost. The federal share would be 65%.
- Having more people covered should lower health insurance costs for everybody in the long run.

**3. How are the medically uninsured getting their health care needs met in this region?**

- Public Aid is a key method, especially for those who are unemployed
- Those who do have insurance are paying for those who don't
- A lot of people just don't go to the doctor because they know they can't afford it.
- The first thing they ask when you get to the hospital is to see your insurance card and in some places they refuse care if you don't have health insurance.
- The profit for the insurance companies seems to be getting bigger and bigger while the cost to the people just keeps going up.

**4. Could you discuss the relationship between welfare reform and health care coverage?**

- The government is giving out fewer handouts and putting people to work to gain their benefits. This practice is making a difference because more people are going out and getting their own jobs because they'd rather do that than work for the government agencies to earn what used to be welfare that was given to them.

**5. If the state were to develop a process that would help more Illinois residents to receive some basic form of health insurance, what do you think a basic health care package should consist of? What is affordable coverage?**

- Insurance needs to be affordable and available.
- The FamilyCare package would be a good thing and might constitute a basic package.
- Also, why is it so expensive for seniors to get their prescriptions filled here in the U.S.? There is a bill that has passed through the House, but not the Senate, to provide for senior citizens' prescriptions. This would help make medical care more affordable for that age group.

- 162 million dollars were spent on KidCare last year; the state's share was \$40 million. If we would raise cigarettes 15 cents a pack, it would create 90 million dollars of new revenue each year. This money could cover the states' FamilyCare package responsibility.
- Most of the tobacco money should be spent on healthcare anyway since it's a health issue.

**6. What is your opinion how such a program might be financed?**

- Answered above.

**7. What advice would you like to give to those who will be looking at ways to close the health insurance gap in Illinois?**

- Listen to the people. Have town meetings, farmers' meetings, small business people, etc.
- I would like to see something happen to help small business owners and the self-employed to make HI more affordable for them – tax deductions, etc.
- Let's look at the profit the insurance industry is making.
- Continue to have meetings with various sectors of the population to look at this issue.
- I do not propose raising any taxes, but I do think that money that's earmarked for healthcare should really go to healthcare.

**OTHER COMMENTS:**

- Health care is a major issue, and the learning process is something we all have to go through. It just may be a tough road.
- When insurance rates keep going up it doesn't matter if you give people a raise because they don't really end up with any more money.